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### 3 DISCUSSION GUIDE FOR GREAT PLAINS //

"Work without hope draws nectar from a sieve. Hope without an object cannot live."

Since the birth of the Great Plains Councils in the thirties, much thought has been given to the problems of the plains' economy. Dozens of meetings have been held. Volumes of literature concerning the problems have been published. Yet there has been little opportunity for farmers and ranchers to study these findings and no agreement has been reached by them regarding common objectives.

The activities among the state agencies of the U.S.D.A. have contributed much to increasing the effectiveness of these programs within the several states. The U.S.D.A. has maintained regional offices in Lincoln, Nebraska for twenty years. At the 1954 meeting of the Great Plains Council the Secretary of Agriculture sent a task force from his office to start action on a more aggressive approach toward common objectives.

The purpose of this meeting was, as expressed frequently in the 1956 Council meeting, to develop a team to formulate and operate a Plains Program. The team is to be composed of (1) a group of representative citizens of the region, (2) the Great Plains Council, and (3) the U.S.D.A. The keynote of this meeting was contained in a subsequent publication 1/ by U.S.D.A. which said "Landowners and operators are responsible, especially when using publicly supported programs or facilities, to so apply their benefits as to preserve and to enhance the value of their land. They should also assume the responsibility for participating in and contributing to the formation and development of policies and programs which are adapted to the needs of their area."

The objective of such a program is to stabilize the soil, the economy, and the homes of the Plains States.

#### HOW IMPORTANT IS THIS REGION?

On January 11, 1956 President Eisenhower sent a special message to Congress asking for a Great Plains program. In it he said "Because these problems directly concern the lives and prosperity of millions of American citizens, the Nation as a whole is directly concerned. Because all Americans are concerned with the maintenance and improvement of our soil and water resources, every citizen in the land has an interest in the solution of agricultural difficulties in the vast Great Plains area."

In June, 1956 H. R. 11833 was introduced in the House. This was a bill "To amend the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938 to provide for a Great Plains conservation program." The bill was passed in the last Congress.

SOME FACTS ABOUT THE GREAT PLAINS The region contains 17 million people. In 1954 the ten states harvested 40 per cent of the U. S. crop acres and received only 23 per cent of the income from sale of crops. They had 53 per cent of all beef cows and heifers, 30 per cent of the steers, produced 46 per cent of the beef calves, and 44 per cent of the U. S. lamb crop, yet received only 20 per cent of the income from sale of livestock. In 1954 they owned 47 per cent of all self-propelled machines and used 29 per cent of all farm motor fuel. In the same year they paid 22 per cent of all farm real estate taxes. In 1953 the ten states owed 23 per cent of all farm real estate mortgages.

In the 1953 annual report of ASC these states are reported to have accomplished 30 per cent of all range and pasture seeding in the U. S. Kansas alone put in 33 per cent of all grass waterways and accounted for 36 per cent of all acres terraced that year.

Table 1 Number of Beef Cows and Calves and Lambs (1954)

Source: Agricultural Statistics, 1955, U.S.D.A.

State	Beef Cows Jan. 1, 1954 (000)	Steers (000)	Beef Calves Produced (000)	Lambs Produced (000)
Colorado	779	267	515	995
Kansas	1,369	354	1,273	333
Montana	1,045	105	687	1,168
Nebraska	1,508	716	1,370	206
N. Dakota	499	90	450	387
N. Mexico	641	57	270	759
Oklahoma	1,227	158	676	93
S. Dakota	1,182	230	876	767
Texas	3,843	471	1,902	2,822
Wyoming	532	63	360	1,444
Total	12,625	2,511	8,379	8,974
U. S. A.	23,833	8,303	17,498	20,272

COMMERCIAL FARM                      Some of the states have a large number of part time and residential farms. As a consequence, the number of INCOMES ABOVE AVERAGE commercial farms is less than half the total. This gives them a smaller per cent of total farms in the high income classes than the U. S. average (Table 2).

Table 2 Farms By Economic Classes

Per cent of Total Farms

STATE	I	II	CLASS III	IV	V	VI
Colorado	7	15	20	17	13	6
Kansas	3	16	25	22	14	6
Montana	8	21	24	18	12	5
Nebraska	4	19	32	24	11	4
N. Dakota	2	12	30	33	15	5
N. Mexico	7	10	10	10	11	9
Oklahoma	1	7	13	16	15	10
S. Dakota	2	15	33	28	12	4
Texas	5	9	11	14	15	10
Wyoming	8	17	23	19	13	5
U. S. A.	3	9	15	17	16	10

Source- 1954 U. S. Census

Note: Economic Class is determined by value of products sold.

Class I-	over \$25,000	Class IV-	\$2,500-\$4,999
Class II-	\$10,000-\$24,999	Class V-	\$1,200-\$2,499
Class III-	\$5,000-\$9,999	Class VI-	\$250-\$1,199

However, when considered alone no state has less than one-third the commercial farms in the income classes above \$5,000. In six of the states over half the commercial farms had incomes in 1954 above \$5,000, and in some states close to 30 per cent were in the above \$10,000 classes. (Table 3)

Table 3

Number of Farms and Economic Classes of 5,000 and over

## COMMERCIAL FARMS

STATE	ALL FARMS NUMBER	Class I		Class II		Class III		Classes I-II-III		Class IV	
		Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	
Colorado	40,651	31,576	2,669	8.5	6,119	19.5	8,045	25.	16,663	53.	6,985
Kansas	120,293	102,520	3,611	3.5	16,846	16.5	29,831	29.	52,288	51.	26,315
Montana	32,957	28,679	2,583	9.	6,896	24.	7,752	27.	17,231	60.	6,601
Nebraska	100,695	94,123	4,169	4.	16,848	20.	32,050	34.	55,067	56.5	24,431
N. Dakota	61,801	59,515	1,069	2.	7,472	12.	18,307	31.	26,848	45.	9,462
N. Mexico	21,070	12,056	1,463	12.	2,028	17.	2,256	19.	5,747	48.	2,122
Oklahoma	115,979	74,037	1,526	2.	8,036	11.	15,061	20.	24,623	33.	18,955
S. Dakota	62,345	59,794	1,493	2.	9,586	16.	20,667	35.	31,946	53.	17,503
Texas	292,946	182,349	13,193	7.	25,670	14.	31,428	17.	70,291	38.	40,139
Wyoming	11,402	9,620	940	10.	1,944	20.	2,554	27.	5,436	57.	2,179

Class IV is 12,500 to 4,999

Considering the fact that 1954 was a drought year this indicates that the farmers and ranchers who operate most of the land were able to maintain a substantial income in spite of adverse weather. With average or above average rainfall they could be expected to assume their share of the financial obligations of an adjustment program.

HARD RED WINTER Facts belie the argument that soft wheat is the root of our surplus problem. (Table 4). The supply of soft red winter AND SPRING WHEAT was 244 million bushels in 1941 and the same in 1955. The supply of hard red winter was 1,331 million bushels in 1941 and 1,941 million bushels in 1955. The supply of hard red IN CARRYOVER spring was 342 million bushels in 1941 and 349 million bushels in 1955. The carryover of the three classes in 1941 was soft red winter 54 million bushels, hard red winter 631 million, and hard red spring 206 million. In 1955 the carryover of soft red winter was 34 million bushels, hard red winter 687 million, and hard red spring 182 million. If there ever is a reduction of the carryover, it will be made in these ten states that produced 65 per cent of U. S. wheat from 1943 to 1952.

MARKETS ARE We are inclined to think that all of our market losses have occurred in foreign trade. Table 4 shows that our total domestic DECREASING consumption is also on the decline. Domestic uses for wheat have dropped from 693 million bushels in 1952 to 619 million in 1955. To expect domestic consumption to make any impression on our wheat supply we will have to feed it like we did in 1942, 1943, and 1944. The total domestic disappearance of wheat in those three years was 3,179,000,000 bushels. In those three years we fed more than one billion bushels.

GREAT It is assumed that maximum use is being made of all present programs to meet the problems of the region. It is known, however, that the PLAINS temporary nature of present programs is not conducive to long term shifts. There is reluctance on the part of farmers and ranchers to BILL make capital investments required for improved pasture and forage production for roughage -- consuming livestock because of the annual nature of present programs.

Since the Great Plains bill did pass the last Congress, we have time to study its provisions and consider its application to the problems of the region in anticipation of appropriations by the next Congress. The main feature of this bill is it gives assurance of continuous financial assistance sufficient to stimulate greater participation in permanent adjustment toward greater stability. This is evidence of the sincerity of the national effort to provide the Plains States with the means of developing a permanent program. If maximum results are to be obtained from this legislation, the people of the Plains States must agree among themselves to the measures they will take and vigorously follow up their decisions with action.

1. The bill authorized an appropriation of \$150,000,000 of which not to exceed \$25,000,000 could be used in one year. No appropriation was made.

Table 4—Estimate Supply and Distribution of Wheat, by Classes, Continental United States, 1951-55 1/

Item	1948	1951	1952	1953	1954	1955
All wheat	mil. bu.	mil. bu.	mil. bu.	mil. bu.	mil. bu.	mil. bu.
Stocks, July 1	196	396	256	562	902	1,021
Production	1,295	921	1,299	1,170	970	916
Imports	1	32	21	6	4	4
Supply	1,492	1,409	1,576	1,738	1,876	1,941
Exports	507	479	321	220	277	279
Carryover	307	256	562	902	1,021	1,043
Domestic disappearance	678	671	693	616	578	619
Hard red winter						
Stocks, July 1	110	214	97	358	535	666
Production	648	376	715	493	471	398
Supply	758	590	812	851	1,006	1,064
Exports	352	251	181	78	123	139
Carryover	167	97	358	535	666	607
Domestic disappearance	239	242	270	238	217	238
Soft red winter						
Stocks, July 1	16	24	16	38	70	60
Production	211	151	199	243	200	184
Supply	227	175	215	281	270	244
Exports	142	23	40	56	62	55
Carryover	16	16	38	70	50	34
Domestic disappearance	169	136	137	155	118	155
Hard red spring						
Stocks, July 1	48	104	117	121	188	160
Production	223	255	182	219	144	185
Imports	1	30	21	6	4	4
Supply	275	369	320	346	335	349
Exports	58	87	17	11	28	23
Carryover	79	117	121	188	160	182
Domestic disappearance	137	105	102	147	116	144

1/ 1951-1948 in the Wheat Situation, September 1943, page 12.

Table 4 (continued)

Estimated Supply and Distribution of Wheat, by Classes, Continental United States, 1951-55

Item	1948 mil. bu.	1951 mil. bu.	1952 mil. bu.	1953 mil. bu.	1954 mil. bu.	1955 mil. bu.
<u>Durum</u>						
Stocks, July 1	10	24	15	7	5	3
Production	46	36	23	14	6	19
Imports	0	2	---	---	---	---
Supply	56	62	38	21	11	22
Exports	4	15	3	---	---	---
Carryover	18	15	7	5	3	3
Domestic disappearance	34	32	20	16	8	19
<u>White</u>						
Stocks, July 1	12	30	11	38	104	132
Production	164	163	180	201	149	130
Supply	176	193	191	239	253	262
Exports	50	103	77	75	64	62
Carryover	27	11	38	104	132	137
Domestic disappearance	99	79	76	60	57	63

This table is taken from 1955 Outlook Conference material.

2. It is for those counties in the ten Great Plains States "designated by the Secretary as susceptible to serious wind erosion."

3. It would run until December 31, 1971.

4. Producers would be presumed to have control of the land for the life of the contract.

5. The producer would set up a schedule of changes for which the law would pay a reasonable share of the cost.

6. It is "in addition to other programs in such area authorized by the Act of 1938 or any other Act." In addition it is not subject to the maximum payment limitation and small farm provision of the Soil Conservation and Domestic Allotment Act.

7. The measure is "designated to assist farm and ranch operators to make, in orderly progression over a period of years, changes in their cropping systems and land use which are needed to conserve the soil and water resources of their farms and ranches and to install the soil and water conservation measures needed under such changes and uses."

8. It contains the same provisions as the Soil Bank Act for refund of payments or grants upon transfer of interest.

#### TOPICS FOR DISCUSSION

There are several areas in which there is need for agreement in order to establish benchmarks for measuring progress toward a long-term program of stabilization, and in order to reap the greatest benefits from the Great Plains Bill.

Below are a few questions that might aid in thinking through the problems.

1. What are the most important problems which contribute to instability?
2. What can be done with current programs to help solve the problems?
3. What are the limitations of the present programs and can you justify any changes that would make them more effective?
4. In areas of severe wind erosion what can local people do to get control of the land for the life of a ten-year contract which is contemplated in Great Plains Bill (H. R. 11833) ?
5. What kind of land needs to be revegetated? Who owns it? What will it take to get it seeded? What will it take to keep it in grass?
6. What measures in addition to revegetation need to be applied?

7. Which or how many of the following alternatives, all of which are permissible, can be used by the wheat farmer to reduce wind erosion?

a. Seed the entire base and

(1) Destroy before harvest.

(2) Harvest for pasture, hay or silage.

(3) Harvest entire crop and pay a penalty or store.

b. Adjust tillage practices.

c. Adjust to some other crop.

8. What are the problems of the wheat farmer and what corrective measures are necessary?

9. What are the problems of livestock productions and what corrective measures are necessary?

10. Summary: What parts of the stabilization program can be handled by individuals; by local group action; by state action? What parts will require Federal action?

11. What can we do now in our county? In our state?

12. What common objectives can be agreed upon among the ten states?





